



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-837]

Certain Cut-To-Length Carbon-Quality Steel Plate from the Republic of Korea: Preliminary Results and Preliminary Intent to Rescind, In Part, the Countervailing Duty Administrative Review; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that certain exporters/producers of certain cut-to-length plate (CTL plate) from the Republic of Korea (Korea) received countervailable subsidies during the period of review (POR), January 1, 2020, through December 31, 2020. Commerce preliminarily determines that the mandatory respondent, Hyundai Steel Company (Hyundai Steel), received *de minimis* net countervailable subsidies during the POR. Commerce preliminarily determines that Dongkuk Steel Mill Co., Ltd. (DSM), which was not individually examined in this review, received net countervailable subsidies. We invite interested parties to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Stephanie Berger, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2483.

SUPPLEMENTARY INFORMATION:

Background

On February 10, 2000, Commerce published in the *Federal Register* the countervailing

duty (CVD) order on CTL plate from Korea.¹ On February 2, 2021, Commerce published in the *Federal Register* its initiation of the CVD administrative review of the *Order* for the period of January 1, 2020, to December 31, 2020.² On June 3, 2021, Commerce selected Hyundai Steel as the sole mandatory respondent in this administrative review.³

On October 1, 2021, Commerce extended the deadline for issuance of the preliminary results of this review by 117 days, until February 25, 2022, in accordance with 19 CFR 351.213(h)(2).⁴

A list of topics discussed in the Preliminary Decision Memorandum is included in the appendix to this notice. For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁵ The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the *Order*

The product covered by this *Order* is certain cut-to-length carbon-quality steel plate. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

¹ *See Notice of Amended Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate from India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, and the Republic of Korea*, 65 FR 6587 (February 10, 2000) (*Order*).

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 17124 (April 1, 2021).

³ *See* Memorandum, "Administrative Review of the Countervailing Duty Order of Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea; Respondent Selection," dated June 3, 2021.

⁴ *See* Memorandum, "Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Countervailing Duty Administrative Review; 2020: Extension of Deadline for Preliminary Results," dated October 1, 2021.

⁵ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review, 2020: Certain Cut-To-Length Carbon-Quality Steel Plate from the Republic of Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Preliminary Intent To Rescind Administrative Review, In Part

Based on our analysis of U.S. Customs and Border Protection (CBP) data and comments received from interested parties, we preliminarily determine that two companies, BDP International and Sung Jin Steel Co., Ltd, had no reviewable shipments, sales or entries of subject merchandise during the POR.

Absent any evidence of shipments placed on the record, pursuant to 19 CFR 351.213(d)(3), we intend to rescind the administrative review of these companies in the final results of review. For further information, *see* “Preliminary Intent to Rescind Administrative Review, in Part” in the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this CVD administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an “authority” that confers a benefit to the recipient, and that the subsidy is specific.⁶ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Rate for Non-Selected Companies Under Review

To determine the rate for companies not selected for individual examination, Commerce’s practice is to follow the instructions to calculate the all-others rate under section 705(c)(5) of the Act and weight average the net subsidy rates for the selected mandatory companies, excluding rates that are zero, *de minimis*, or based entirely on facts available.⁷ In this review, we preliminarily calculated a *de minimis* subsidy rate for the sole mandatory respondent (*i.e.*, Hyundai Steel) during the POR. In CVD proceedings, where the number of respondents

⁶ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁷ *See, e.g., Certain Pasta from Italy: Final Results of the 13th (2008) Countervailing Duty Administrative Review*, 75 FR 37386, 37387 (June 29, 2010).

being individually examined has been limited, Commerce has determined that a “reasonable method” to use to determine the rate applicable to companies that were not individually examined when all the rates of selected mandatory respondents are zero or *de minimis* is to assign to the non-selected respondents the average of the most recently determined rates that are not zero, *de minimis*, or based entirely on facts available.⁸ However, if a non-selected respondent has its own calculated rate that is contemporaneous with or more recent than such previous rates, Commerce has found it appropriate to apply that calculated rate to the non-selected respondent, even when that rate is zero or *de minimis*.⁹

In this case, Commerce calculated a company-specific rate for DSM in the administrative review covering 2018, while a more contemporaneous above *de minimis* rate of 0.56 percent was calculated in the most recently completed administrative review for Hyundai Steel, covering 2019. Therefore, consistent with Commerce’s practice described above, we are assigning the rate of 0.56 percent *ad valorem*, calculated for Hyundai Steel in the most recently completed administrative review, to DSM.¹⁰

Preliminary Results of Review

As a result of this review, we preliminarily determine the following net countervailable subsidy rates for the period January 1, 2020, through December 31, 2020:

Company	Net Countervailable Subsidy Rate (percent)
Hyundai Steel Company	0.26 (<i>de minimis</i>)
Dongkuk Steel Mill Co., Ltd.	0.56

⁸ See, e.g., *Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Final Results of Countervailing Duty Administrative Review; Calendar Year 2018*, 85 FR 84296 (December 28, 2020).

⁹ See *Steel Concrete Reinforcing Bar from the Republic of Turkey: Preliminary Results of Countervailing Duty Administrative Review and Intent To Rescind the Review In Part; 2017*, 85 FR 3030 (January 17, 2020), unchanged in *Steel Concrete Reinforcing Bar from the Republic of Turkey: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2017*, 85 FR 42353 (July 14, 2020).

¹⁰ For additional information, see *Preliminary Decision Memorandum* at “Non-Selected Rate.”

Assessment Rate

In accordance with 19 CFR 351.221(b)(4)(i), Commerce has preliminarily assigned subsidy rates as indicated above. Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Rate

Pursuant to section 751(a)(2)(C) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated above with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days after the date of publication of this notice in the *Federal Register*.¹¹ Commerce intends to issue a post-preliminary analysis memorandum subsequent to the publication of this notice to address the new subsidy allegations submitted by the petitioner, Covid-19 fee reductions self-reported by Hyundai Steel, and whether to attribute any potential subsidies received by Hyundai Green Power to Hyundai Steel. Commerce will

¹¹ See 19 CFR 351.224(b).

notify the parties to this proceeding of the deadlines for the submission of case and rebuttal briefs after the issuance of the post-preliminary analysis memorandum. Rebuttal briefs, limited to issues raised in case briefs, may be filed within seven days¹² after the time limit for filing case briefs. Parties who submit case or rebuttal briefs are requested to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹³ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁴

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance using ACCESS.¹⁵ Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.¹⁶ If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined.¹⁷ Parties should confirm the date and time of the hearing two days before the scheduled date. Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised by parties in their comments, within 120 days after the date of publication of these preliminary results.

¹² See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (*Temporary Rule*).

¹³ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁴ See *Temporary Rule*.

¹⁵ See 19 CFR 351.310(c).

¹⁶ *Id.*

¹⁷ See 19 CFR 351.310.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213 and 19 CFR 351.221(b)(4).

Dated: February 23, 2022

Lisa W. Wang,

Assistant Secretary

for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Preliminary Intent to Rescind Administrative Review, In Part
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- VI. Scope of the Order
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